

BEFORE THE FEDERAL ELECTION COMMISSION

In the Matter of

MUR 6085

ILLINOIS VICTORY 2008 AND

PETER COUVAL, AS TREASURER

**CASE CLOSURE UNDER THE
ENFORCEMENT PRIORITY
SYSTEM**

GENERAL COUNSEL'S REPORT

Under the Enforcement Priority System, matters that are low-rated

are forwarded to the Commission with a recommendation for dismissal. The

Commission has determined that pursuing low-rated matters compared to other higher-rated matters on the Enforcement docket warrants the exercise of its prosecutorial discretion to dismiss these cases. The Office of General Counsel scored MUR 6085 as a low-rated matter.

In this matter, the complainant, Louis G. Atsaves, alleges that Illinois Victory 2008 and Peter Couval, in his official capacity as treasurer ("the Committee"), failed to properly itemize disbursements for staff salaries. According to the complainant, the Committee disclosed approximately \$169,100 for "payroll" to "Quickbooks Payroll Service" on its July, August, and September 2008 financial disclosure reports, but failed to include memo entries providing the names and other information concerning the individuals to whom salaries were paid, in violation of 11 C.F.R. § 104.3(b)(3)(i).¹

In response, the Committee asserts that it fully reported expenditures for salaries made to the payroll service at issue, but acknowledges that it had failed to provide memo entries disclosing the names of the individuals who were paid through the service, and other

¹ The complainant took note of the Committee's close working relationship with the Dan Seals for Congress Committee, but did not specifically state that the relationship violated any of the provisions of the Federal Election Campaign Act.

1 information, as set forth in the complaint.² According to the Committee, the mistake was
2 inadvertent and was due to the inexperience of its bookkeeping staff; the Committee further
3 states that it has since amended its reports to include memo entries fully identifying all
4 individuals whose salaries were paid through the payroll service and asks that the complaint
5 be dismissed. The Committee's financial disclosure reports indicate that it amended its July,
6 August, and September 2008 reports on October 16, 2008, after the complaint was filed, in
7 order to disclose the above-described information.

8 Given the Committee's expeditious corrective action, it appears that the impact on the
9 process, if any, was *de minimus*. Accordingly, in considering the Commission's priorities
10 and resources relative to other matters pending on the Enforcement docket, the Office of
11 General Counsel believes that the Commission should exercise its prosecutorial discretion
12 and dismiss this matter. See *Heckler v. Chaney*, 470 U.S. 821 (1985). Additionally, this
13 Office recommends that the Committee be cautioned that their failure to disclose the names,
14 addresses and other required information concerning individuals receiving disbursements in
15 excess of \$200 could have violated 11 C.F.R. § 104.3(b)(3)(i).

16 **RECOMMENDATIONS**

17 The Office of General Counsel recommends that the Commission dismiss
18 MUR 6085, send a cautionary notification to Illinois Victory 2008 and Peter Couval, in his
19 official capacity as treasurer, concerning the potential violation of 11 C.F.R. § 104.3(b)(3)(i),
20 close the file, and approve the appropriate letters.

² A memo entry provides supplemental or explanatory information on a reporting schedule. The dollar amount of the memo entry is not included in the total dollar amount disclosed on the schedule.

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5/06/09
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